



CITY COUNCIL SUMMARY MINUTES

Special Meeting
June 5, 2023

The City Council of the City of Palo Alto met on this date in the Council Chambers and by virtual teleconference at 5:30 P.M.

Present In Person: Burt, Kou, Lauing, Lythcott-Haims, Stone, Tanaka, Veenker

Present Remotely:

Absent:

Mayor Kou called the meeting to order in honor of LGBTQ+ Pride Month and noted that the flag was displayed.

Interim City Clerk Mahealani Ah Yun called roll and declared six were present.

Agenda Changes, Additions and Deletions

City Manager Ed Shikada stated there were no agenda changes but that there had been a modified staff recommendation related to Item 11 on the second reading of the ordinance concerning ADUs.

ACTION: None

Public Comment

Michael Mashack represented Bay Area Urban Eagles, Inc., and noted one of their missions was to educate young children and present career opportunities to older children, but they were also educating the community on happenings at the airport. He spoke of a statewide exercise three weeks ago called Disaster Aviation Response Team and voiced that there was opportunity to collaborate, which he wanted to see more of. Bay Area Urban Eagles wanted to a part of an upcoming program. He requested more support from the City.

Mohan Gummalam addressed SB 403 and believed it discriminated against minorities from South Asia and Africa and asked the City to put the SB 403 topic on the agenda to hear from the community and to pass a resolution against SB 403.

Jaya Gummalam supported Mohan Gummalam's statements. She voiced that there were existing laws to protect against caste discrimination, and she made five supporting statements.

Mohit Thawani did not support SB 403. He claimed that the bill was based on two false datasets and urged Council to look at a survey by Carnegie Endowment.

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Anil Rachakonda specified why he was against SB 403.

Hema Shukla opposed SB 403 and spoke about how the bill associated certain lifestyle choices with castes.

Ramki Ramakrishnan indicated that SB 403 discriminated against South Asians and that it violated the 14th Amendment.

Priya Bonthu remarked why she thought SB 403 should be condemned. She mentioned that there was no universal definition of caste and asked who was defining the status, which was subjective.

Shilpa Ranganath commented that SB 403 [inaudible] South Asians right to privacy and to assemble and would problematize the associational and marriage preferences of South Asians. She noted that the implementation of SB 403 would conflict with current protections under California law.

Hiren Shah supported the earlier public comments. He noted that SB 403 was not the only option to address the probable cause of discrimination, which he detailed. He indicated there could be public education campaigns to ensure awareness of protected rights and recourse. He asked that the California Department of Fair Employment and Housing case allow a case law that caste be covered under ancestry, ethnicity, and national origin.

Vishnu Yella expressed it was discriminatory by the U.S. Constitution to attempt to create castes for only a group of people who originated from one particular region and based on colonial [inaudible] and biases. He indicated there was no need for SB 403, which denied Hindus in California equal protection under the law.

Rani Fischer, a volunteer with SCVAS, provided slides and spoke of the dark-eyed juncos, which were threatened by climate change and other hazards, including free-roaming cats. She asked that dark-eyed juncos be protected by protecting the release of feral cats in the city.

Aram James (Zoom) spoke of SB 403 and caste discrimination. He thought there should be a study session. He opined that the books *Caste Matters* and *Race Matters* needed to be read. He supported SB 403. Regarding SB 1421 and AB 748, in October 2021 he had asked for videos regarding the canine attack on Alexander Furrier, which he had not received.

Eileen McLaughlin (Zoom) represented the Citizens Committee to Complete the Refuge, and she discussed an article in the *Daily Post* concerning the problem with permit noncompliance at the golf course. She spoke of her concerns related to permitting requirements. She wondered if there was a compliance officer overseeing projects in the Parks Department. She hoped the City would remedy the situation.

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Muni Madhhipatla (Zoom) spoke against SB 403. He requested that Council put it on the agenda for public comment. He wanted Palo Alto to pass a resolution condemning SB 403 from discriminating against Indian-Americans.

KC Hetterly (Zoom), an intern with SCVAS, supplied slides and spoke of the Western Bluebird and noted that their habitat was vulnerable to climate change, logging, wildfires, and cat predation. She asked that the Western Bluebirds be protected by addressing climate change, holding logging operations accountable, and avoiding the release of feral cats in the city.

Jonathan Erman (Zoom) voiced that the scheduling of City Council meetings was confusing for the public, especially for those wishing to participate. He indicated that meeting time should be regulated better with staff presentations and Council member speaking time and asked that it be addressed.

Dilip Amin (Zoom) stated that there were caste issues that would increase discrimination of South Asians. He inquired why there was a need to monitor Hindus by laws in America. He noted that the bill was duplicative and unnecessary, that there were already laws covering caste discrimination. He mentioned that targeting a selective community was unconstitutional and discriminatory. He opposed SB 403.

Council Member Questions, Comments and Announcements

Council Member Veenker drew attention to the Palo Alto High School class who did the project on the Social Justice Pathway to call attention to the Cherokee Nation delegate to Congress. She had met with the class and they asked that she share postcards with Council, which she would make available, and to let Council know there was take-action information on their website for those wishing to help with their project. She was very impressed with their knowledge, professionalism, and commitment to social justice.

Mayor Kou noted, regarding SB 403, that there was a prior Resolution, 9653, and asked if that could be sent to the lobbyist to determine if it was in line with the foundational principals, and she noted that possibly an oppose letter could be done.

City Manager Ed Shikada would have the lobbyist review it, and staff would report back to Council.

Study Session

1. 1237 San Antonio Road: Regional Water Purification Facility. Request for Pre-screening by Santa Clara Valley Water to Amend the Comprehensive Plan Land Use Designation and map for a Portion of the Subject Property From Public Conservation Land (CL) to Major Institution/Special Facility (MISP). Environmental Analysis: This Study Session is Not a Project in Accordance With CEQA.

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Planning Manager Jodie Gerhardt announced that they would discuss Valley Water's proposal at 1237 San Antonio Road. She noted it was a Council prescreening, so they were not looking for approval or denial, and it was the very beginning of the project. The project would have to go through a Comprehensive Plan Amendment for changes to the land use map. The prescreening was intended to solicit initial feedback on a particular project. She asked that Council members refrain from forming settled opinions on a particular project. She shared slides. She discussed the location of the project. She provided the background of the site and key considerations. Staff recommended Council conduct a prescreening and provide comments on the Comprehensive Plan Amendment that was necessary to develop the LATP site as a regional water purification facility with the associated pipelines and pump stations.

Valley Water Assistant Officer Kirsten Struve presented slides and provided an overview of the project. She explained indirect portable reuse. She discussed Palo Alto's portion of the project and project elements. She commented that the location of the site was chosen collaboratively based on a site feasibility study. She provided details of a land lease that Valley Water and Palo Alto were negotiating. They were working through environmental requirements for the site, and a key element was the requirement for a Comprehensive Plan Amendment. She described the site plan. She furnished a slide and pointed out that the main components of the AWPFC Conceptual Site Plan was different from the Staff Report, and Palo Alto staff comments had been incorporated from the development review process. She detailed the project delivery method and the project agreements. In addition to the 2019 Partnership Agreement, a Staff Funding Agreement had recently been executed and the Ground Lease and Operations and Maintenance agreements were in process, which were needed prior to releasing the RFP and were critical to avoid procurement delays that would increase costs. She addressed CEQA and noted that a Draft EIR would be released for public review upon release of the RFP. She declared that they were coordinating with Palo Alto's Planning Department. The current application was for the Comprehensive Plan Amendment. The project itself would need additional future applications. She provided a slide showing the requested future action, which she detailed. She discussed stakeholder and community education outreach being critical for the project. She announced that the Santa Clara County Medical Association had endorsed the project. They would be happy to keep Council updated on the project. Future outreach on the construction of the project was being planned. She supplied a slide outlining the project timeline. They hoped for approval of the remaining agreement in the third quarter this year, at which point they would release the RFP and Draft EIR. They expected the project to be fully operational late 2028 or early 2029. She clarified what the focus would be over the next 12 months. The project was a high priority for their board.

Valley Water Board Director Rebecca Eisenberg fully backed the project. She clarified that the reason for the project was sustainability. She was confident that Valley Water would work collaboratively with Council to find the most sustainable method of doing this that would be respectful of the ecosystem. She made a personal comment that she hoped the underground pipeline would not be necessary.

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Council Member Burt appreciated that this meeting would focus on the land use designation, but noted it was tied in with the project as a whole and that Council had not had a review of the terms of the project and asked staff to summarize the terms of the project. He commented that what was currently before Council was different than the focus of the Advanced Recycling Committee in 2015 in regard to sustainability. Related to water going to replenishing water elsewhere in the county and the City receiving a financial benefit, he understood that there may additional gallonage available that Palo Alto could tap into subsequently for a more sustainable water supply.

Public Works Assistant Director Karin North highlighted the terms of the partnership agreement. Regarding the City receiving payment for water, she noted there were offramps to the agreement to get water back to Palo Alto.

Council Member Lauing inquired if Council had yet approved anything by vote. He questioned if the reference to the avoidance of land subsidence included proactively addressing sea level rise.

Assistant City Attorney Caio Arellano discussed the structure of the 2019 Partnership Agreement with Valley Water and there being other aspects to the agreement, which he detailed. The purpose of this meeting was to focus on the land use entitlements that Valley Water needed to construct its regional purification facility at the former Los Altos treatment site. Technically and legally a project did not need to be approved, although the 2019 Agreement could be read as requiring the process be done in good faith with Valley Water. The first step would be the proposed Comprehensive Plan Amendments, then execution of a ground lease, and a couple other agreements more tailored toward plant operation and bringing it online with the Regional Water Quality Control Plant (RWQCP) would be negotiated in the future

Assistant Officer Struve declared they were planning for sea level rise at the pump station and the Los Altos treatment plant site, which she outlined.

Vice Mayor Stone was concerned that the facility, which could include noise pollution, etc., would be next door to a site planned for housing and asked what precautions would be taken to mitigate the noise, etc. He inquired if staff had considered how this project might fulfill Objective 3.1. He hoped aesthetic fencing would be done. Even though he thought there were significant concerns related to climate mitigation and the location of the project, he was supportive of the project overall.

Planning Manager Gerhardt answered that the noise had not been considered much as they were at the prescreening level. They would do a CEQA review. She detailed that they had started investigating the placement of hazardous materials and thought similar things could be done with noise-producing equipment. She explained how this project might fulfill Objective 3.1.

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Council Member Veenker questioned if a future negotiation to enhance water supply would be for drinkable water. She was concerned about the ground subsidence issue, and she wanted to know that there was potential to reclaim recharging options. She asked for more information related to contaminated material and if it could potentially be a co-benefit of cleaning up the site. She was concerned about odors from the site and the effects on the future housing site next door.

Public Works Assistant Director North specified that when the agreement was negotiated, they wanted to ensure potential access to a drinking water source in the future, but it would be a cost to Palo Alto. It was not a guarantee that Palo Alto would be able to wheel water out of the regional purification facility, and it might be looking for a completely new source of water in partnership with Valley Water, which would require negotiations with Valley Water and requests for information and then a determination if such a project would move forward, which would be brought back to Council. She noted that currently the groundwater basin was not pulled from Palo Alto, so Palo Alto did not have groundwater subsidence. She explained that it did not make sense to purify water and inject it in the ground, and she could provide a report related to that.

Assistant Officer Struve noted that the site was a former wastewater treatment plant, and they were currently sampling and developing a remediation plan, which would mostly be to cap and fill the site. There was a possible multiple benefit for neighboring properties as well as for stormwater compliance. She expressed that there would be no odors from the site as it was not a wastewater treatment plant. As for noise, there would be screening and mitigations identified in the EIR. She encouraged Council to tour their existing facility at Zanker Road. They did not expect impacts during operations; however, during construction there would be some noise impact, which they would do their best to mitigate.

Council Member Lythcott-Haims commented that she was concerned of placing such a facility near the future housing site. She referenced public comments related to caste concerns, and she had concerns for those living next to the facility.

Council Member Tanaka wanted the ground lease to be at fair market rent. He inquired if there would be a discount on water coming back to Palo Alto. He asked if City personnel would be involved in running the facility and what would be Palo Alto's contribution to the \$1B+ construction cost.

Assistant City Attorney Arellano indicated they had reviewed an appraisal of the site and its market value, but they were still negotiating at a staff level to determine the appropriate number for the annual lease payment. It would not be \$1 a year. There would not necessarily be a new supply of water coming back to Palo Alto as part of the 2019 agreement. They received a contribution toward constructing a new local salt-removal facility, which would enhance what would be done at the RWQCP plant for producing recycled water. City personnel would not be involved in running the plant; however, he explained that there would be some associated work, the details of which would be addressed in a subsequent operations and

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maintenance agreement with Valley Water separate from today's discussion. Valley Water and its project partner would pay construction costs, not Palo Alto.

Public Comment

Arthur Keller thought this was a good project but stated that Palo Alto should be able to get water back from Valley Water if needed. He asked how water would be received from Valley Water without a pipeline and requested that a pipeline be considered. He stated that [inaudible] from the bay because [inaudible] flood protection for Palo Alto, and there should be a study session to investigate why they are turning it down. He served on the Environmental and Water Resource Committee of Valley Water, but he noted these comments were his personal opinions.

Winter Dellenbach did not know why this would be done if the City did not get water, and she was concerned about the construction cost contribution. She wanted more information about recharging ground water and subsidence.

Rebecca Eisenberg (In-person) thought the parties had a lot to discuss to make this optimal. She did not think the [inaudible] site was an appropriate place. She noted that studies showed transitional housing was most successful when located near community resources. She discussed transitional mobile shelters.

Council Member Burt thought the local salt removal facility, which was a smaller RO pilot facility, would be replaced by this larger scale facility. He asked why one was called a salt removal facility and one a purification facility. He spoke of water treatment through tertiary processes bringing down total dissolved solids (TDS), which could be used for some landscaping and for toilets, and to have a broader use, salt needed to be brought down, so the intention was to blend low saltwater from the local salt removal facility with what was already being produced. He stated it had not been worked out but was important clarification. Palo Alto would be able to use water out of the smaller RO facility. He did not know if there had been a calculation of the power needed for this plant or if the cost of operation had been entered in the negotiation. He spoke of the land that would be used for this project and the LifeMoves project being the only land available. He spoke of his tour of the San Jose facility and sound mitigation of the pumps, and he concluded that the only impact on the LifeMoves residents would be visual. He asked what the process would be for Council to review the terms of the agreement. He assumed the ground lease terms would be on fair market value. He inquired if the balance of the terms of the 2019 Agreement were final with no further discretion.

Public Works Assistant Director North declared they were at 90% design for the small salt removal facility and were anticipating returning to Council in August. She noted that the cost had increased significantly, which was \$56M to produce 1.12 million gallons of water per day, but it could go up to 2.5 million gallons and then would be blended for enhanced recycled water, and the majority of that water would likely go to Mountain View, so they were working with Mountain View. In 2019, they thought they could put together the small salt removal

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facility and then add another treatment, which would turn it to purified water, but regulations had evolved since then, and a pre-step would be needed before the water could go into the river osmosis facility or the salt removal facility and then another step to make it purified water.

City Manager Ed Shikada expressed that the salt removal facility topic would come back to Council in August as a discretionary decision, and the Joint Recycled Water Committee had a meeting scheduled next week.

Public Works Assistant Director North indicated they would be discussing the local salt removal facility housed at the RWQCP and the regional purification facility would be discussed at the Joint Committee meeting and would come back to Council in August. They were negotiating the lease terms for the regional purification facility, which would come back to Council, and the Operation Maintenance Agreement. Once Valley Water understood their limitations to coordinate with the City's facility, she understood Valley Water would release it to their P3 entities and then return to Council. She requested the City attorney address negotiating and opening the 2019 agreement.

Assistant City Attorney Arellano specified that this meeting was a study session on amending the land use designation for the site. The ground lease agreement would be coming in the next few months. The 2019 Agreement addressed funding a local salt removal facility and securing Valley Water's right to use Palo Alto's effluent for the Regional Water Purification Facility. He expected that the terms specific for the ground lease would come back to Council in the fall. They were actively negotiating the terms of the ground lease. He remarked that the 2019 Agreement was an executed agreement that the City was bound by, and any potential amendments would have to be negotiated with Valley Water.

Council Member Burt understood that the terms of the 2019 Agreement were binding and the City would have to pull out of the agreement to change the terms. He spoke of piping serving two purposes and overtreated water becoming blended water. He queried if more water coming back to Palo Alto could be negotiated. He asked if Council would have input on the final agreement and whether Palo Alto should get additional water supply.

Assistant City Attorney Arellano acknowledged they could try reopening the agreement with Valley Water versus pulling out of the agreement. The City was bound by the terms of the 2019 Agreement related to water supply and the amount of the capital contribution to the local salt removal facility. He clarified that any discussion on the provision in the 2019 Agreement allowing negotiation of additional water supply was outside the scope of this study session; however, staff could bring something back to Council.

Public Works Assistant Director North explained the piping at the purification facility at Los Altos Treatment Plant for purified water. She acknowledged that more water coming back to Palo Alto could be negotiated. Regarding Palo Alto getting additional water supply, she wanted it to be understood that there was not a lot of extra water. She explained that the agreement was complicated, and they would have to come back to Council.

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City Manager Shikada noted that the next key step before Council would relate to the salt removal facility in August, and staff would try to provide as much information as possible. He announced there would be a Joint Recycled Water Committee meeting next week, which could identify issues for further discussion.

Mayor Kou declared that Council was interested in reviewing certain terms.

Council Member Veenker stated she was interested in more information related to the terms. She currently agreed with the site designation but did not think it should be looked at in isolation. Her concerns about Project HomeKey neighbors had been lessened upon visiting the Project HomeKey site in Redwood City. She spoke of Project HomeKey onsite services providing transportation, etc. She supported the concept and liked the purification idea but thought it needed to be considered in the context of the bigger picture.

Council Member Lauing agreed with Council Member Veenker's comments. He thought there needed to be flexible points in the negotiations relative to changes in each of the cities, water, etc., and expressed that Council needed input related to that. He hoped the aesthetics of the tanks would be addressed. He was concerned about electricity cost and usage. He spoke of piping being a potential threat to the wetlands, which needed to be focused on in the EIR. He remarked that the site was essential and that there was not another available site in Palo Alto. He asked that staff present the sequences to Council at some point.

Consent Calendar

2. Approval of Minutes from May 15, 2023 Meeting
3. Approval of Second Amended and Restated Joint Powers Agreement for the San Francisquito Creek Joint Powers Authority, CEQA: Not a Project
4. Approval of Construction Contract with O'Grady Paving, Inc. (C23187512) for the Churchill Avenue/Alma Street Railroad Crossing Safety Improvements Project, Capital Improvement Program Project PL-20000 in the amount of \$2,265,340 and Authorization for the City Manager to Execute Change Orders up to \$226,534; and CEQA status – exempt under CEQA Guidelines Section 15301(c)
5. Adoption of a Resolution for Senate Bill 1, the Road Repair and Accountability Act, for Fiscal Year 2024, Providing the Project List for the Street Maintenance Project, Capital Improvement Program Project PE-86070; CEQA Status – Not a Project
6. Approval of Office of City Auditor Task Order Change - 4.08 Public Safety Building-Construction Audit, as recommended by the Policy and Services Committee.
7. Approval of Office of City Auditor Task Order Change - FY23-05 Various Reporting & City Hotline, as recommended by the Policy and Services Committee.

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8. Approval of Office of City Auditor Task Order Change - 4.20 Procurement, as recommended by the Policy and Services Committee.
9. Adoption of an Ordinance Amending Section 2.04.010 (Regular Meeting) of Chapter 2.04 (Council Organization and Procedure) of the Palo Alto Municipal Code to Change the City Council Meeting Start Time from Six p.m. to Five- Thirty p.m.
10. Adoption of a Resolution to Appoint Mahealani Ah Yun as Interim City Clerk Through December 1, 2023 at the annual salary of \$121,285 - CEQA exempt
11. SECOND READING: Amending Title 18 (Zoning) of the Palo Alto Municipal Code to Amend Requirements Relating to Accessory Dwelling Units and Junior Accessory Dwelling Units (FIRST READING: May 15, 2023, PASSED 7-0)
12. SECOND READING: Amendment to Palo Alto Municipal Code Title 18 Chapter 18.42, Standards for Special Uses, to Codify Firearms Sales Limitations Ordinance; CEQA status—exempt under CEQA Guidelines section 15061(c)(3) (FIRST READING: May 22, 2023 PASSED 7-0)

Public Comment

Stacey Ashlund addressed Item 12 and appreciated a conditional use permit being added to the process. She urged Council to vote yes on Item 12.

Jonathan Erman voiced why he thought Item 9 should be removed from the Consent Calendar. He remarked that there should be a limit on the number of special meetings, which was not addressed in the rewrite. He asked that the public be notified when they could participate. He spoke of time management.

Rebecca Eisenberg called attention to Item 4 and hoped that in the future more sustainable alternatives to traditional cement would be considered.

Council Member Lythcott-Haims recused herself from Item 11 due to a potential remodel at her primary residence.

Council Member Tanaka registered a no vote on Agenda Item Number 4.

MOTION: Mayor Kou moved, seconded by Council Member Lauing to approve Agenda Item Numbers 2-12.

MOTION PASSED ITEMS 2-3, 5-10, 12: 7-0

MOTION PASSED ITEM 4: 6-1, Tanaka no

MOTION PASSED ITEM 11: 6-0-1, Lythcott-Haims Recuse

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Council Member Tanaka shared his screen related to Item 4. He appreciated the fact that the City would receive federal funds, but it troubled him that there had been only one bid.

Mayor Kou congratulated Interim City Clerk Mahealani Ah Yun.

Interim City Clerk Mahealani Ah Yun thanked Mayor Kou. She was thankful for the opportunity to continue to serve. She thanked former City Clerk Lesley Milton and City Clerk Staff, Vinhloc Nguyen and Alice Shambayati, and the other City departments for being supportive. She was excited to take on the role and to ensure transparency and accountability in Palo Alto's City government.

City Manager Comments

City Manager Ed Shikada furnished slides and provided updates on the Mitchell Park Library and the Housing Element, and the public could review revisions and provide comments related to the Housing Element at paloaltohousingelement.com. Upcoming events included the Municipal Services Center open house on July 15 and summer events, which he outlined. Tentative upcoming Council items included the Pets In Need Term Sheet and the Independent Police Auditor on June 12 and the FY2023-24 Budget Adoption and Tree Ordinance review study session on June 19. He thought that there would be more information next week related to activities in August.

[The Council took a 10-minute break]

Action Items

13. PUBLIC HEARING: Adoption of an Ordinance Amending Section Palo Alto Municipal Code Chapter 9.68, Rental Housing Stabilization, to Clarify the Definitions of At-Fault and No-Fault Just Cause for Evictions, Extend Just Cause Eviction Protections and Tenant Relocation Assistance to More Rental Units in Palo Alto than Offered by State Law, and Adopt a Security Deposit Limit for Unfurnished Rental Units in Palo Alto. Environmental Assessment: Exempt under CEQA Guidelines Section 15061(b)(3).

Planning & Community Environment Director Jonathan Lait declared that the items before Council related to limiting the security deposit for unfurnished apartments and extending just cause eviction protections. He discussed and displayed a slide related to the purpose of the ordinance and provided an overview of the ordinance. Staff recommended the ordinance be adopted.

Public Comment

Liz Gardner was pleased that the ordinance was ready to move forward. She thought the 1.5x asking deposit was great. She hoped this would advance to more equitability for all.

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Emily Ann Ramos on behalf of Silicon Valley At Home supported the staff recommendation and thanked Council for taking action that would help prevent displacement of Palo Alto residents.

Mary Gallagher spoke as a former landlord and real estate professional and supported limits on security deposits. She noted that it was important for landlords to aspire to good behavior and thought that and nonresident investors needed to be addressed. She cited examples of illegal practices that she discovered in her experience as a property manager.

Lauren Bigelow, Board President of PARA, explained that just cause protections were balanced and impactful for a renter. She thanked Council for bringing the item forward and encouraged moving forward.

Anil Babbar (Zoom) with the California Apartment Association discussed the history of AB 1482. He opined that the changes staff made to the local version jeopardized the City's future ability to attract developments to meet housing goals. He asked that the ordinance be better aligned with AB 1482 to create a more consistent approach. He provided examples of conflicts the ordinance created.

Mark Mollineaux (Zoom) stated that renters deserved, at the least, basic protections. He opined that just cause should be applied everywhere. He did not think this would disincentivize development. He looked forward to implementation of the ordinance.

Jesse Philips (Zoom) believed that AB 1482 was put in place to keep tenants in their homes and protect them. He discussed his experience of landlord bullying. He would appreciate a local ordinance that would extend just cause eviction protections.

Vice Mayor Stone asked if this should be voted on tonight with the HRC recommendation coming back to Council as a separate item. He was interested in information concerning HRC's discussion related to unit occupancy being reduced from 12 to 6 months. He asked how much it would cost the City to enforce these protections. He was concerned about leaving protections in the hands of private enforcement and hoped staff would return to Council with more information.

Planning & Community Environment Director Lait answered that this should be voted on tonight with the HRC recommendation coming back to Council as a separate item. They were presenting to Council the direction they received in November, 18 months ago. He believed the HRC considered this and other renter protection items that would be presented to Council in August. At that time, if Council had an interest in adjusting the programs, it could be addressed. Because the HRC recommendation went beyond the direction received from Council, they did not incorporate it in the ordinance. He did not know how much it would cost to enforce the protections, though staff could investigate.

Planner Rebecca Atkinson indicated that the ordinance reflected the original Council direction, and staff did not have direction to address the HRC recommendations at this time, but it could come back.

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Human Services Manager Minka Van Der Zwaag clarified that the HRC did consider a series of renter protections that were already on the books. The HRC felt that since this addressed no-fault evictions there should not be a carve-out for certain people being evicted for no fault of their own nor should there be a penalty for the length of time in a unit. The HRC did not have an extensive conversation related to unit occupancy being reduced from 12 to 6 months.

Council Member Veenker was happy to see the item on the agenda and that HRC would have additional recommendations coming to Council later. She believed improving renter protection was critical to solving the housing crisis.

Council Member Lauing was glad to see this being executed, and he appreciated the specificity in the language. He referenced Page 131 of the Staff Report, and he did not think the City should be the representative of a tenant but that the City should be active in getting high-quality pro bono or low-cost resources in place for renters. He proposed that the City invest in those doing pro bono service. He supported the item and security deposit limits of 1.5x.

Council Member Lythcott-Haims questioned who would enforce renter protections. She proposed that Council direct staff to do the additional fiscal impact analysis if staff was to be responsible for enforcement. She asked if there were other jurisdictions on the peninsula helping renters enforce the renter protection mechanisms. She asked if “hiring of real property” in Section K of Packet Page 137 was referring to a renter who was renting. She would send an email related to a technical error on Page 144.

Lauren Bigelow outlined that there were several eviction help centers set up throughout Santa Clara County with dedicated staff assisting in filling out emergency rental assistance applications and who also had conversations with tenants about their rights. She believed Mountain View had dedicated staff working with the City to help enforce some of the protections.

Deputy City Attorney Jennifer Fine confirmed that “hiring of real property” was in reference to a renter who was renting.

Council Member Burt strongly supported the recommendations.

Council Member Tanaka believed the City representing tenants would be a complication for the City. He inquired if AB 1482 excluded single-family homes and if the exclusions would continue with this ordinance. He thought the key to solving the housing crisis was attracting more units to market and making the development process easier. He feared that ADUs would not rent their units. He was concerned that limiting the amount of a deposit a landlord could charge and the changes in just cause could cause rent increases. He questioned how many landlords would be affected by the provision.

Deputy City Attorney Fine noted that the exemptions for single-family homes were specific, which she explained. She did not know the rationale behind it. The exclusions were restated and continued in this ordinance.

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Planning & Community Environment Director Lait expressed that they did not have data related to how many landlords would be affected, but he thought that information could be gleaned from the rental registry.

Mayor Kou asked for clarification of Packet Page 139(f) and Packet Page 142(d). She requested Council consider Packet Page 142(a) reflect 5 units instead of 10. She asked why consistent language was not used on Packet Page 143 (9.68.060) related to relocation assistance for evictions without just cause.

Deputy City Attorney Fine clarified that Packet Page 139(f) related to the requirement for offering one-year leases, and it would not apply to single-family units. She explained why they used the language on Packet Page 143 (9.68.060).

Planning & Community Environment Director Lait indicated, related to Packet Page 142(d), that a landlord would have to give cause for terminating a lease.

City Attorney Molly Stump declared that the number of units referenced on Packet Page 142(a) could not be addressed this evening as the public had not been notified.

Council Member Lauing addressed Council Member Tanaka's comments regarding deposits. He specified that rent was a revenue and a deposit was not, which meant rents would not need to increase.

Vice Mayor Stone agreed with Council Member Lauing's comments. He voiced that there was a need to have a rental registry to determine how many units would be impacted and the typical charge for security deposits. He asked that the unit occupancy requirement in the motion be changed from 12 to 6 months.

Mayor Kou seconded Vice Mayor Stone's proposal to change the unit occupancy requirement from 12 to 6 months.

Vice Mayor Stone stated the HRC supported the reduction in the unit occupancy from 12 to 6 months, and he detailed his concerns with it being 12 months.

City Attorney Stump commented that change would somewhat expand the regulatory scope of the ordinance. She thought the best way to handle it would be to return with a new first reading, but she was concerned that then the second reading could not occur before Council's summer break. By adopting this on first reading tonight, there could be a second reading and the protections put in place 30 days after that. She asked if Council was interested in this coming back.

Discussion ensued with respect to changing unit occupancy from 12 months to 6 months and the 24-month minimum requirement to a 12-month minimum requirement for new tenants, and it was decided that staff would return to Council in August with an amendment to reduce

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the required unit occupancy minimum period and that other time periods would be changed to be consistent with reducing time periods by half.

MOTION: Vice Mayor Stone moved, seconded by Mayor Kou to adopt the attached Ordinance (Attachment A) amending Palo Alto Municipal Code (PAMC) Chapter 9.68, Rental Housing Stabilization, to clarify the definitions of at-fault and no-fault just cause for evictions, extend just cause eviction protections and tenant relocation assistance to more rental units in Palo Alto than offered by state law, and adopt a security deposit limit for unfurnished rental units in Palo Alto:

And direct staff to return to Council with an amendment to reduce the required unit occupancy minimum period from 12 months to 6 months in section 9.68.40(b) and (d) on the Consent Calendar in August 2023, and change other time periods consistent with this approach.

MOTION PASSED: 6-1, Tanaka no

14. Adoption of a Resolution Approving an Addendum to the 2017 Comprehensive Plan Environmental Impact Report and Adopting the Sustainability and Climate Action Plan (S/CAP); Approval of the 2023-2025 S/CAP Workplan; and Review of the 2023 Earth Day Report

Public Works Director Brad Eggleston provided slides of the objectives before Council. Staff and the S/CAP Ad Hoc Committee recommended Council certify the Comp Plan EIR Addendum for the S/CAP, adopt the S/CAP, and accept the S/CAP Work Plan covering the next three years. He rehashed the history of the S/CAP process.

Sustainability Manager Christine Luong displayed slides and discussed the impacts of climate change and global warming and detailed the S/CAP goals and key issues to focus on. The full S/CAP report was in Attachment B, and a resolution approving an addendum to the Comprehensive Plan Environmental Impact Report and adopting the S/CAP was in Attachment C. She furnished slides and spoke of outcomes needed by 2030 to meet climate action goals, and she outlined the Comp Plan EIR Addendum to the S/CAP findings.

Utilities Assistant Director Jonathan Abendschein discussed the Work Plan, which provided specific programs, initiatives, and staff efforts to meet sustainability goals over the next three years. The S/CAP Work Plan was in Attachment D. He reviewed the development of the S/CAP Work Plan and the Work Plan items in process. He noted that the Work Plan focused on climate action and sustainability. He detailed the areas of climate action priority and announced there would be an update on the UAC Commission's agenda for Wednesday, June 7. He discussed the focuses on the Sustainability section of the Work Plan. He noted that the key actions were prioritized using a co-benefits analysis that was conducted by AECOM, and the analysis was included in the Staff Report.

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Sustainability Manager Luong supplied slides and reviewed the Earth Day Report. She discussed GHG emissions, which the full 2021 GHG inventory was in Attachment E, and the table showing 1990 versus 2021 GHG emissions by sector and subsector was in Attachment F. She shared a slide breaking down GHG emission sources and a graph showing targets that needed to be met for the 80 x 30 goal. They were tracking KPIs in all S/CAP areas, and she discussed some highlights in each area.

Public Works Director Eggleston spoke of next steps, which included the shift into the implementation phase, continuing to work with the S/CAP Ad Hoc Committee, and planning public meetings and a marketing campaign. He displayed a slide with staff's recommendation to Council.

Council Member Burt, Chair of the Ad Hoc Committee, stated the plan was comprehensive and no barriers had been identified. He addressed why this was important in terms of climate change, public health, sea level rise, wildfires, and flooding. He spoke of losing flood protection in the event of a major wildfire. He specified why the Reach Code was more important than originally recognized and stated it was complementary to the goals and key actions. He emphasized that the pilot for commercial roof pack systems for HVAC and that the EV Strategic Plan were important. He noted that the Heat Pump Water Heater Program would be the model for additional home electrification, such as HVAC. He spoke of the rapid advancement of technology and renewables possibly being inexpensive in the future. He noted that recent GHG reductions had been due to a reduction in commuting. He explained how EVs could become a solution to stress on the electrical grid. He indicated that there needed to be comprehensive communication showing quality of life would be better with electrification.

Vice Mayor Stone had worked on the S/CAP Ad Hoc Committee, and he hoped his colleagues would adopt the recommendation. He wanted to inspire other cities to pursue aggressive climate mitigation policies.

Council Member Veenker stated the City needed to adapt to climate change and be responsible with waste and water and protect the natural environment. She noted that the S/CAP focused on GHG from vehicles and buildings, and there was a lot to be done with rightsizing EV charging and supporting bicyclists and pedestrians. She stated the Heat Pump Water Heater Program needed to move forward and to be followed with the Heat Pump HVAC Program; the grid needed to be modernized and with a workforce to maintain it; residents needed to be able to easily participate; and the permitting and other City processes needed to be a help, not a hindrance.

Council Member Lythcott-Haims, as a member of the Finance Committee, asked that the San Antonio-Charleston corridor be an example to other cities how there could be dense housing near transit with parks, shopping, etc., in 100% electric homes with the grid rightsized.

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Andrea Gara, a member of 350 Palo Alto, urged Council to move even faster, particularly in regard to building electrification. She discussed and shared a graphic from the scientists at Project Drawdown. She provided a quote of UN Secretary General Antonio Guterres from the IPCC meeting in March, which referred to climate as a ticking timebomb.

Hilary Glann, co-leader of 350 Palo Alto, spoke to building community confidence in the plan and noted that residents needed excellent communication regarding electrification, which she encouraged the City to focus on. They were excited about the communication plan for the grid modernization project. She opined that natural gas was missing from communications and believed the City should publicize a timeline for turning off natural gas, which would help residents plan and make decisions.

Larry Klein mentioned the lawsuit against the City of Berkeley and urged Council not to be idle in relation to the Ninth Circuit decision. He was hopeful that Council would move forward with eliminating the use of gas in single-family residences by 2030 and that there would be a proclamation with a firm date.

John Kelley thought this should be adopted but that it would be trivial. He referenced Scope 3 on Page 28 of the Staff Report and believed the numbers summarized in the staff presentation had referred to Scope 1 and 2 emissions and did not include consumption or aerial miles traveled. He spoke of a report that had been on Danish TV that reported shocking carbon pollution. He opined that emissions, including Scope 3 emissions, needed to be brought down to zero now.

Susan Chamberlain (Zoom), a member of 350 Palo Alto, requested there be a sunset date set by the end of the year for gas shutoff. She indicated that the community needed a broad-based education program.

Liz Gardner (Zoom) discussed the cost of housing, how unsustainable housing was and how coupled it was with the climate crisis and believed quality housing materials needed to be used. Her son wanted to know what was being done locally about large global companies that were unregulated. She expressed that workers' wage disparity, housing, and climate were existential crises.

Julia Zeitlin (Zoom), co-founder of PASCC, supported approval of the S/CAP update, three-year Work Plan, and the EIR Addendum, and she stated that local action should be prioritized. She requested there be devotion to climate goals, electrifying buildings, and increasing the tree canopy and that a natural gas sunset plan be implemented.

Shreya Vardhan (Zoom), a member of 350 Palo Alto, asked that socially vulnerable groups and those traditionally underrepresented in planning processes participate in the City's sustainability and climate efforts. She discussed a report by Gridworks related to increasing gas prices and the effects on low-income consumers. She asked the City to help multifamily homes electrify at the same time as single-family homes and that a sunset date be set by the end of

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the year for natural gas, which would allow residents to plan for the transition and take advantage of available rebates for home electrification.

Talya Schube (Zoom), a junior at Gunn High School and a member of PASCC, urged Council to support the S/CAP update and adopt the EIR Addendum and the updated Sustainability and Climate Action Plan. She urged Council to move faster in relation to climate and sustainability.

MOTION: Council Member Burt moved, seconded by Council Member Veenker to:

1. Certify the Comprehensive Plan Environmental Impact Report Addendum: Update to the Sustainability and Climate Action Plan
2. Adopt a Resolution Approving an Addendum to the Comprehensive Plan Environmental Impact Report and Adopting the Sustainability and Climate Action Plan (Attachment B and C)
3. Accept the 2023-2025 S/CAP Work Plan (Attachment D)

Council Member Burt noted that consumption-based emissions needed to be addressed in the future. He spoke of Palo Alto's 100% carbon-neutral electricity having an impact on other cities and the need for leading cities to develop programs and plans showing how policies could be effectively implemented. He discussed this being a learning experience and that a series of changes would be adopted and adapted.

Council Member Veenker echoed Council Member Burt's comments and noted that Palo Alto's actions could have an impact on other cities.

Council Member Lauing inquired of staff's confidence in having funding. He noted that the programs needed funding, which seemed to be a constraint in committing to the Work Plan and the residents. He noted that the community needed confidence that there would be enough program money to help those in need.

Utilities Assistant Director Abendschein answered that funding had been quantified in the April 2021 Impact Analysis, which were preliminary numbers. The S/CAP Funding Study in the Work Plan was to develop a set of numbers that could be used for policy setting. He discussed that financing of capital costs would result in an annual payment of about \$50M with \$40M in benefits, and by comparison, there would be a 5% to 10% increase in the community spend on energy. He indicated that there seemed to be financial resources. He remarked that there needed to be a good estimate to determine how payment would be made.

Council Member Tanaka queried if the City's GHG inventory included Scope 3 GHG emissions. He requested the status of Scooter Share.

Public Works Director Eggleston remarked that the City's GHG inventory did not include Scope 3 GHG emissions.

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Utilities Assistant Director Abendschein clarified that the Scooter Share was moving slowly because of staff capacity.

City Manager Ed Shikada specified, related to Scooter Share, that the market had shifted from one in which companies were willing to provide no-cost arrangements to one in which cities would need to pay for service, so he believed it was a budgetary issue related to it being a funded program.

Council Member Tanaka asked if the scooter share companies were charging the City to place scooters at the Caltrain Station and if there was a charge for the dockless scooters. He referenced Slide 9 and stated the transportation goals related to climate seemed to be modest and asked if the goals should be more ambitious.

Sustainability Manager Luong noted that transportation infrastructure would take a long time to build and fund and that it would take a long time for the City to transition from a gas-powered fleet to EV. She discussed the work-from-home percentages in 2019 (before the pandemic) being 9.7% and in 2021 it was 16%, and transportation-related emissions were slowly returning, and they anticipated that 2022 transportation-related emissions would be higher than 2021.

Transportation Planning Manager Sylvia Star-Lack clarified that the transportation goals partly had to do with land use. Regarding the Scooter Share, companies did not find that certain city environments provided enough profit, so they were asking for subsidies. Staff would discuss it with them, and maybe there could be a partnership with other nearby jurisdictions for a bigger program, which might make more financial sense for companies.

Mayor Kou thought there needed to be more information related to funding this and that there should be an estimated dollar amount for future years. She referenced Packet Page 230 and asked if there was a calculation of GHG emissions from the birth of a product, for example EV chargers, to the installation a product contrasted to the benefits of the product. She asked how staff saw green stormwater infrastructure (GSI) being incorporated into municipal projects.

Public Works Director Eggleston answered that they had not yet calculated the GHG emissions from the birth of a product to its installation, which would be Scope 3 emissions and were not part of the current analysis. He explained that GSI was incorporated into municipal projects to some degree. There was funding in the storm drain fee to support GSI, and they looked for opportunities to apply funding to projects even where it was not required.

Council Member Lythcott-Haims asked if the maker and seconder would be open to an amendment to direct staff to return September 1 with a financial projection of the Scope 3 impact.

Council Member Burt understood that the methodology of doing a Scope 3 analysis had not been established.

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Public Works Director Eggleston confirmed that the methodology of doing a Scope 3 analysis had not been established.

Planner Rebecca Atkinson noted that there had been a Berkeley Labs project study a few years ago estimating Scope 3 emissions, but she explained why the study was inaccurate. There was no current standardized methodology for calculating those emissions.

Council Member Burt voiced that many academics were working on calculating Scope 3 emissions, which was on the horizon.

MOTION PASSED: 7-0

Adjournment: The meeting was adjourned at 10:55 P.M.